

**FIRST AMENDMENT TO THE
COMBINED HEALTH REIMBURSEMENT
AND DEPENDENT CARE ASSISTANCE PLANS**

This First Amendment to the **Combined Health Reimbursement and Dependent Care Assistance Plan, effective January 1, 2005 (the Plan)**, is adopted by the plan sponsor, the Leon County Board of County Commissioners, effective as of the dates set forth herein:

- A. Effective 12/31/05, the following provisions shall be added to the end of Article VII, Section 7.6 of the Plan:

The Employer shall adopt a **Grace Period** following the end of the Plan Year during which amounts unused as of the end of the Plan Year may be used to reimburse Eligible Medical Care Expenses incurred during the Grace Period. In no event can the Grace Period exceed two (2) months and fifteen (15) days following the end of the Plan Year. All amounts allocated to the **Health FSA Account** that are not used to reimburse Eligible Medical Care Expenses incurred during the Plan Year and/or the Grace Period shall be forfeited.

- B. Effective 12/31/05, the following provisions shall be added to the end of Article VIII, Section 8.6 of the Plan:

The Employer has the discretion to adopt a **Grace Period** following the end of the Plan Year during which amounts unused as of the end of the Plan Year may be used to reimburse Eligible Dependent Care Expenses incurred during the Grace Period. In no event can the Grace Period exceed two (2) months and fifteen (15) days following the end of the Plan Year. All amounts allocated to the **DCAP Account** that are not used to reimburse Eligible Dependent Care Expenses incurred during the Plan Year and/or the Grace Period shall be forfeited.

- C. Effective 1/1/06 any reference to Grace Period contained within the Plan, as amended, shall be replaced with the term **Run-out Period** and shall continue to mean the 90 days following the close of the Plan Year whereby participants may submit for reimbursement those expenses incurred during the Plan Year, and as incurred during the Grace Period as defined in Sections A and B above.

- D. If Congressional Action or Treasury/IRS Regulatory Changes modify or rescind the Use It or Lose It Rule, the Employer has the discretion to eliminate or modify Sections A and/or B of this Amendment by notifying employees in advance of the Grace Period for any given Plan Year.

All terms, covenants, conditions and restrictions under the Plan Document, except as modified by this Amendment, are hereby ratified and confirmed and shall remain in full force and affect.

Date: _____

Employer: The Leon County
Board of County Commissioners

By: _____

Chairman
Leon County Board of County
Commissioners

Attest:

By: _____

Bob Inzer, Clerk of the Court
Leon County, Florida

Approved As To Form:

By: _____

Herbert W. A. Thiele, Esq.
Leon County, Florida

Fringe Benefits Management Company

By: _____

(Type Name and Title)